



Education Committee Meeting

Thursday, October 27, 2005

1:00 p.m.

Franklin County Public Library
Rocky Mount, Virginia

APPEARANCES:

The Honorable Frank M. Ruff, Chairman
Mr. Stephen S. Banner
Mr. Fred M. Fields
The Honorable Joseph P. Johnson, Jr.
Mr. Buddy Mayhew
The Honorable Harrison A. Moody
Mr. John M. Stallard
Mr. Bryant L. Stith
The Honorable Thomas C. Wright, Jr.

COMMISSION STAFF:

Mr. Ned Stephenson, Acting Executive Director
Mr. Timothy Pfohl, Grants Program Administration Manager
Ms. Britt Nelson - Grants Coordinator, Southside Virginia
Ms. Sarah Griffith - Grants Coordinator, Southwest Virginia

OFFICE OF THE ATTORNEY GENERAL:

Mr. Francis N. Ferguson, Deputy Attorney General - Counsel for the Commission

SENATOR RUFF: Thank you all for coming this
afternoon; before we do anything else I'm going to let the County Administrator bid us
well. Rick.

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1 RICK: I want to welcome you to Franklin County on
2 behalf of the Board of Supervisors and welcome to Rocky Mount. It's a pleasure to have
3 the Education Committee meet here today, and as the bulldozers sit out back and we're
4 building a workforce development center, and this Commission has had a great deal to do
5 with helping us fund that project, and we appreciate that very much.

6 I only ask two things of you today. Number one is spend money before
7 you leave, and of course, that's every community's greatest chance, and root for our
8 Hokies tonight, because we're going to need it.

9 Thank you.

10 SENATOR RUFF: Thank you. Ned, would you call the
11 roll?

12 MR. STEPHENSON: Mr. Banner?

13 MR. BANNER: Here.

14 MR. STEPHENSON: Mr. Day?

15 MR. DAY: (No response.)

16 MR. STEPHENSON: Mr. Fields?

17 MR. FIELDS: Here.

18 MR. STEPHENSON: Delegate Johnson

19 DELEGATE JOHNSON: Here.

20 MR. STEPHENSON: Mr. Mayhew?

21 MR. MAYHEW: Here.

22 MR. STEPHENSON: Mr. Moody?

23 MR. MOODY: Here.

24 MR. STEPHENSON: Mr. Stallard?

25 MR. STALLARD: Here.

26 MR. STEPHENSON: Mr. Stith?

27 MR. STITH: Here.

28 MR. STEPHENSON: Delegate Wright?

29 DELEGATE WRIGHT: Here.

30 MR. STEPHENSON: Vice Chairman Puckett?

31 SENATOR PUCKETT: (No response.)

32 MR. STEPHENSON: Mr. Chairman?

33 SENATOR RUFF: Here.

34 MR. STEPHENSON: Mr. Chairman, we have a quorum.

35 SENATOR RUFF: Thank you. We have one new member.

36 Bryant, would you like to introduce yourself? These faces you see here you might see
37 again, so get used to looking at them.

38 MR. STITH: My name is Bryant Stith. I'm from
39 Lawrenceville, Virginia. I recently retired from the National Basketball Association
40 2002. I returned home with my wife, and we've been very involved in the community.
41 I've been a partner in some activities with Dr. Cavan and Mary Jane Elkins. I'm glad to
42 be here today and ready to help advance the communities around Southside Virginia and
43 Southwest Virginia.

1 SENATOR RUFF: Thank you, Bryant. I want to follow
2 that up by saying Bryant has been extremely energetic in that process. He is a native of
3 Brunswick County. Brunswick has more challenges than most of the counties in the
4 state. His family should be very proud of him, and we in Southside Virginia are very
5 proud of him, because he has dedicated his efforts to come back to Southside when he
6 could live anywhere he wanted to, and he's actually trying to help those that follow him
7 in his home community.

8 All right. Dr. Gunter, Outreach Director for Career Prospects in Virginia
9 has agreed to come and speak to us.

10 Ned, would you give her a little better introduction than that?

11 MR. STEPHENSON: Certainly. We have with us today
12 Dr. Meredith Gunter, and she is with the Weldon Cooper Center. She comes to us today
13 not asking for any money, by the way, but to talk to the Committee about their effort to
14 help link all of the marvelous educational efforts that we're doing with people in our
15 region to help link them with the employment community in the way of placement efforts
16 in helping them find a place to go to work. I am anxious to hear what Dr. Gunter has to
17 present today, and thank you for joining us, Dr. Gunter.

18 DR. GUNTER: Mr. Chairman, Delegate Johnson, Delegate
19 Wright and members of the Committee, Director Stephenson and ladies and gentlemen,
20 it's a pleasure to be here today and an opportunity to talk to you about career prospects in
21 Virginia. I'll be working out of the podium, so I'll stay out of the line of sight. I'll give a
22 brief presentation on career prospects, and then there'll be an opportunity to ask some
23 questions.

24 Before I start, I wanted to mention something Fats Domino said one time.
25 There are a lot of people around here that have a BA, and a lot of people have an MBA,
26 and a lot of people around here have PhD's, unfortunately there's just not enough people
27 that have JOB. That's what I'm
28 here to talk to you about today. Hoping to find jobs for people that have the education
29 that you support.

30 I represent Career Prospects in Virginia, which is a career information
31 website that was developed by the demographic and workforce session at the Weldon
32 Cooper Center, University of Virginia. Career Prospects is funded by the Virginia
33 Department of Education, using federal funds and passing money from federal funds.
34 That's why I'm not here asking for funds, because we are funded by the federal
35 government, that came out of, ultimately, Congress.

36 We have a staff of over fifty, and we're focused on career and technical
37 education, not exclusively, because we are involved in all levels of education. We are
38 focused on over four hundred fifty careers. We try to make it easy to use us, and we've
39 got everything on one page. We have links to hundreds and thousands of other sites.
40 Best of all, this is a free service to anyone in Virginia who wants to use it.

41 Why did we ask to be here? I wrote a letter to your Director, and he was
42 kind enough to invite me to come before this Committee. That's because we know this
43 Committee has invested millions of dollars in the educational pipeline to create world

1 class workforce. Career Prospects is a proven career information service that will
2 maximize the investments all along the educational pipeline.

3 How can we maximize your investment in education? One, look at the
4 planning assumptions that we use when it comes to education. Number two, programs
5 that are tailored to the region, and three, employment, both long and short duration.

6 I'm going to start by looking at some of the planning assumptions that we
7 have about education. There is a common assumption in this country that starting at the
8 ninth grade it's sort of an eight-and-out concept. The ninth grader has four years to
9 complete high school, four more years to complete college and find a job. Let's take a
10 look at how sound those assumptions are. For every hundred ninth-graders, and this is
11 represented by this line, seventy-four graduate from high school in four years. Forty
12 enter college the next year, and thirty come back for their sophomore year, and twenty-
13 two graduate in six years. The overall number for Virginia of adults with a BA or higher
14 in the age group twenty-five to forty-four is actually higher than the national average, and
15 is thirty-two. The numbers I think are interesting are these numbers. There is a large gap
16 here. Seventy-eight students who have not graduated from college in the ten years since
17 they started the ninth grade. It's logical to think what can we do for these folks to help
18 them find productive work and then get into a program that would help them through the
19 community colleges and workforce training areas that will help them find jobs and
20 become productive in the community.

21 Looking at the numbers pertaining to this region, Southside and
22 Southwest, this shows the percentage of people that do not have a high school education
23 or a degree. It also leads the state in the percentage of people who don't have a high
24 school degree, or had a high school degree but nothing beyond that. About the same
25 numbers roughly go on for an associate's degree, but obviously much smaller numbers
26 compared to a four-year degree or more in this region.

27 Here's another figure, looking at that the other way. If you look at the
28 Southern Piedmont and Southwest and Southside leading Virginia with the number of
29 people that have no high school diploma. Obviously, this has an impact on household
30 income.

31 The vertical access is the percentage of the population making this amount
32 of money, and the horizontal access is the amount of money starting in ten thousand
33 dollar increments and starting under ten thousand dollars, twenty-five thousand on the
34 right hand. You basically want more dots higher up on the right-hand side. Look at
35 Northern Virginia and that profile and compare that. Here's Southwest, and here's
36 Southside, and this is Virginia overall.

37 Unemployment gives a similar picture. Southside and Southern Piedmont
38 and Southwest and not quite the first two, it exceeds the U. S. percentages, and this was
39 June of 2005.

40 SENATOR RUFF: What do you define as Southern
41 Piedmont?

42 DR. GUNTER: This is our Workforce Investment Act.
43 Unfortunately, our data is not divided in the same region you all have divided it. I'll

1 show you those regions in just a moment.

2 In our view it's important, both in the short-term and long-term solutions.
3 It's important when you're building a workforce, it's also important for the students
4 coming out today entering the workforce. It's important to put the students to work at
5 whatever level they are coming out.

6 The new employment projections we've just gotten from the VEC have
7 shown us what happens to jobs in the region served by the Tobacco Commission. This is
8 the workforce investment region. This is what VEC uses to interpret those. If we look at
9 South Central Virginia, as an example, we have careers with the most job openings and
10 fastest growing careers in these regions. This data is in your folder. The difference
11 between these two obviously is cashiers, registered, the retail sales person, and those go
12 on, and there are many job openings, but they are not specific with a growing career.
13 Growing careers won't have a lot of job openings, it's growing as a career.

14 If we compare that to the state as a whole, and this is in red, and that didn't
15 come out very well, but basically about seventy percent of the list is the same for job
16 opportunities that have the most openings in the tobacco region areas. This is
17 everything as a whole.

18 The other thing to note about this list with the most job openings is that
19 most of them are jobs that can be done with a high school diploma, more or less. All of
20 them can offer advancement opportunities if they come in with a GED or high school
21 education and get a certification and move on to an associate degree program or a
22 community college program. That would usually help anyone to move up in a particular
23 field.

24 The population we focus on at Career Prospects in Virginia are the high
25 school students, and especially those that are interested in careers in technical education,
26 underserved adults, including dropouts from GED, community college students, and then
27 we have in-service programs for teachers and guidance counselors and administrators and
28 workforce development people.

29 What we offer for everyone is that we try to help learners establish career
30 aspirations, and we try to provide easily accessible information about careers, we offer
31 lessons in activities to help people in the job process, and we maintain links to thousands
32 of other sites and services and existing programs. We're not trying to duplicate anything,
33 we're just trying to help people build power or know about what's out there.

34 This is the front page of our website, and there are seven ways to the
35 website. You can go in and investigate careers, you can go in and read about all the
36 educational opportunities in Virginia, look for a job, read about career trends, a link to all
37 kinds of other services, internships, the way to get current information, and we have a
38 statistics section.

39 We also have this little box up in the right-hand corner which is really a
40 fast way in. That will take you to this list. This is a list of ten careers for people that
41 want a career in less than two years or are thinking about an associate's degree or want to
42 make a lot of money right away, and this is where you go and get that list.

43 We also maintain in that section a list of the top ten career choices the high

1 school students tell us they want. If you look at this list of careers, they're pretty
2 standard. They don't go too far from the main stream. What we find is they like to have
3 options. This list for the top ten career choices, you'll notice that sports is always at the
4 top, salary range being fifty to a hundred and fifty thousand, does that sound about right?
5 Then, other than participating in the sports, there are things like sports trainers or
6 managers or something that is involved in the sports world but not having to be on the
7 front lines.

8 What it does for the high school students is that it informs them about
9 career paths and technical education programs, helps them find programs, both in the
10 high school and community colleges, and matches it up with their interest. They can
11 learn about careers that they like. This is a page we have on our website about career and
12 technical education, and that's in your folder.

13 There is also an article in here entitled The Smart Path to the Community
14 College. We give them a list of courses that they can take. We give a list of one hundred
15 thirty-six great careers after high school graduation. Here's part of the list with the
16 salaries, with respect to them.

17 Then, also, this page helps them find out where they can take these
18 courses and get this training in the different areas. They can take some of those courses
19 at high school or in the community colleges.

20 This is a partial list of careers and technical education courses. They can
21 also go to the website and look at, and in this case Halifax, and read all about the courses.

22 This is a page where they can search for careers, and they can come in and
23 put the name of the career and go through an alphabetical list, or they can go to school
24 subjects and your interests.

25 Many, many students don't really have any idea what they want to do. We
26 start out by asking them what is your favorite subject in school, do you want a career
27 working with information or numbers, tools or what have you. We might say give me a
28 word, and I don't care what the word is. In this case they put in the word cars, then we do
29 a search, and it gives a list of careers related to cars. Some students probably haven't
30 thought about various careers until they can go through something like this and get a
31 good idea, and they can also work with their counselors. This will help someone learn
32 about a career and broaden their knowledge of what is involved in that career. We do it
33 for all the careers. All you have to do is click on the title, and that will give a description
34 of what it means to be, for instance, an automobile service technician. We have four
35 hundred sixty-three of these on our website. They're all the same in terms of their format.
36 It has this information, like what does a person do, where do you work, what kind of
37 money do you make, the job outlook. All those sections are in each one of these four
38 hundred sixty-three briefs.

39 This was put together by professional writers, and it's a little more
40 interesting than some of the things that are put out by the federal government. The
41 opening line for a geologist says, a geologist spends their life between a rock and a hard
42 place. They are sort of cute and interesting, but it kind of gets your attention when you're
43 going through it. This is all contained in what we call the brief.

1 We also try to link them with some interviews with people that do these
2 jobs. We show them what they read and give them an article about an interview with
3 folks that have these jobs so they can get a broad-based knowledge of what's going on.

4 We link them to a federal library of career videos that is available in both
5 Spanish and English. We show them where they can get education, certification and
6 licensure, areas like career technical education, community colleges, professional
7 associations. We also link to all the high schools; there's a school division home page in
8 the career certificate program.

9 Once they get into this brief, they can get anywhere pretty much where they need to go.

10 We also have this page on bright ideas for getting ahead in any job. You'll
11 be pleased to see that number one is showing up on time, skill developments and personal
12 characteristics. On this page it's a link to employer located services through the federal
13 government. On this page, if you put in a name of an occupation, and we put in
14 carpenter, and the name of the community, and here we have Appomattox, here's a list of
15 people that employ carpenters in Appomattox. If a kid thinks they want to do this job and
16 they want to talk to somebody who hires this sort of person in the home community, they
17 can look at this. It will give them job outlooks in the area. Here's some data on
18 Mecklenburg, for example. We tell them how to look for work and link them with lots of
19 jobs.

20 One of our favorites is the job bank maintained by the Virginia
21 Employment Commission. In this job bank you put in the name of the job, the zip code,
22 and they can find ads, if they're currently registered with the VEC. So if they want to
23 apply for a job they can look here, and this is updated daily. We show them what the
24 earnings are and any professional associations.

25 Let me show you briefly what we offer for adults. We provide information
26 on education at every level. We give them a chance to try to explore opportunities that
27 match their interest. This page is on the website, and it has all the educational
28 opportunities in Virginia. This goes from GED to PhD and public and private online
29 names, and they can link to any of those pages.

30 We publish real life GED stories of success. This was a page that was
31 created after I went to a literacy fair at one of the community colleges. We created a page
32 on retraining and issues to think about when you're trying to retool yourself for a new
33 career. This contains the research that's available. If somebody says they want a career
34 in health sciences, for example, and here we would look at therapeutic services and
35 health science, and this will help them. Then can get a picture of this page with the range
36 of jobs in physical therapy, for example, and the salaries and educational requirements.
37 They can see they might have to start off as a physical therapy aide and move up if they
38 get the training.

39 This is a list of new materials we have on helping people find a job,
40 anything from finding out what you want or writing a cover letter, creating a job where
41 none exists, how do you get yourself to move up, even filling out a job application,
42 because a lot of people haven't done that for a long time.

43 This is a list of what we offer people that are working with students and

1 adults. These are some teaching materials that they can use in the classroom, and we
2 give them data for programs.

3 This is a page on our site where people can access worksheets; if you want
4 to try it, you can follow the worksheet.

5 This is the statistics page we have for our site. We take in statistics from
6 Virginia and across the country. We try to put them in a format that will make sense. We
7 also provide a statistic service, and here is the phone number and address. We can tell
8 people if you're looking for statistics about working in Virginia and you can't find it, call
9 us and we'll find it for you, because that's what we do.

10 In summary, we provide up-to-date information about careers, we try to
11 promote increasing involvement in existing education career preparation programs, we
12 inform parents and students about opportunities that would lead to work, we offer
13 information on how to look for finding a job in Virginia, we support teachers and
14 counselors and other people that work in the area of career training.

15 What we'd like for you is we'd like you to offer us as a link to the
16 Commission and put us on your website. We'd like people to know if they're looking for
17 jobs in a particular region they can find these initiatives and go online and take advantage
18 of this information. We'd like you to invite us to work with other groups and anyone
19 here. You've got our folder and my card, and you can call us at any time you'd like, and
20 we can provide or give a presentation, or we can set up a program for any population.
21 Also, to encourage grantees to work with us and help advance their careers and add us to
22 your list and let us know if we can help.

23 That's the end of my presentation, and I'll be happy to take any questions.

24 SENATOR RUFF: I'd like to ask you, first of all, how do
25 you become a spy? That was on your list.

26 DR. GUNTER: I'm not online here, but I could show you.
27 We don't have James Bond.

28 SENATOR RUFF: How are you promoting this in the
29 public realm?

30 DR. GUNTER: I attend a lot of conferences with the
31 professionals that work with students and adults. I do presentations at statewide
32 conferences and workshops. I travel around the state and drop materials wherever I can.
33 I'd be happy to tailor any program that you might desire.

34 SENATOR RUFF: You're reaching the guidance
35 counselors in high schools?

36 DR. GUNTER: We're trying to do that, yes.

37 SENATOR RUFF: Is there an impediment to that process?

38 DR. GUNTER: I would say one of the impediments to that
39 process is the same that led to, that is the guidance counselors find themselves so
40 overwhelmed by the requirements and the number of students they have to deal with,
41 including academic planning and other issues that they do. They often don't have the
42 time to do it as far as careers and working with students. The community college system
43 created the career coaches, John, do you have --

1 DR. CAVAN: -- We have eleven career coaches.
2 DR. GUNTER: Where they have actually funded some and
3 co-funded some with the community colleges, and they put them in the high schools. I've
4 done an in-service program with career coaches about careers and jobs.
5 DR. CAVAN: The career coaches are funded by the
6 Tobacco Commission.
7 DR. GUNTER: I also go around and drop off anything that
8 I can and work with anyone that is interested.
9 SENATOR RUFF: You drop off some kind of brochures,
10 or you leave it in the schools?
11 DR. GUNTER: We have the packets, and we're working
12 on a brochure at the moment. We created a bookmark that we give out. I have a packet
13 which I will tailor to a particular population that I'm dealing with.
14 SENATOR RUFF: Any further questions? Well, thank
15 you, and we appreciate your presentation.
16 DR. GUNTER: Thank you.
17 SENATOR RUFF: I assume everyone has looked at the
18 Minutes from the last meeting of August 18th. I'll entertain a motion. There was a name
19 in the last Minutes that was left blank, it's Denny Morris. All right, any other
20 amendments before I entertain a motion?
21 DELEGATE JOHNSON: I so move.
22 MR. BANNER: Second.
23 SENATOR RUFF: It's been moved and seconded, all in
24 favor, signify by saying aye? (Ayes.) All right.
25 Ned, if you would talk to us about the Southwest Scholarship Program.
26 MR. STEPHENSON: Mr. Chairman, it's a little bit of a
27 housekeeping matter, but when we finished our work in August in Farmville the
28 Committee approved the Southside Teacher's Scholarship Program in the amount of 2.8
29 million dollars for the school year '06/'07, but
30 ran short of funds to approve the same for the Burley Scholarship Program. We
31 adjourned that meeting with the Chairman going to the Special Projects Committee or to
32 the Executive Committee to ask for one million dollars for the Committee to be able to
33 cover the Burley Scholarship Program as well. That has occurred, and it will be in front
34 of the Commission in a few weeks.
35 Technically, this Committee did not actually make the award of that one
36 million for the Burley Scholarship Program. I would invite that motion, Mr. Chairman, if
37 you please.
38 DELEGATE WRIGHT: So move.
39 SENATOR RUFF: The motion is assuming that the Full
40 Commission approves that one million dollar transfer to get to the Southwest Scholarship
41 Program. That's your motion, and Mr. Fields has seconded it. Any discussion on that?
42 All in favor say aye? (Ayes.) All right.
43 MR. MAYHEW: Mr. Chairman, does this mean that we're

1 kind of getting ourselves back in line a little bit as far as when the money is going to be
2 available, compared to when we're making a decision about where it should go or where
3 it should be?

4 SENATOR RUFF: It will put us a little closer to range, but
5 the reality is that Rachel has to process these applications. You've got to work from when
6 the money is needed to when the decisions have to be made, so there's a lag time of about
7 six months, particularly when you have college freshmen and their family, and they have
8 no idea how to go through the process of financial aid, and all that. It gives them some
9 understanding of the process early on.

10 DR. FOWLKES: The 1st of March, we want to get the
11 award letters out in May, and the families need to know before the student had to come
12 up with tuition and had to come up with the allocation for a year.

13 MR. MAYHEW: I thought at the last meeting we're way
14 behind, like eighteen months or something. How did the additional money from the
15 Executive Committee help us catch up, and if so, how much behind are we now?

16 MR. STEPHENSON: We were running eighteen to twenty
17 months behind making our commitment for money twenty months away. The motion you
18 made this afternoon, if it passes the Commission in November, really cures that entire
19 problem and puts us very close to having the commitment and the funds occurring within
20 a few months of each other. That's a complete cure, as I see it.

21 MR. FIELDS: Where did that money come from? Did it
22 come in the future?

23 SENATOR RUFF: If you remember, we ended up with a
24 lump sum, the money that was transferred to Special Projects Committee some of us
25 didn't totally agree on but it's there, we got one million back. The Executive Committee
26 took a million away from Special Projects and placed it here.

27 MR. FIELDS: It put us a million dollars closer, anyway.

28 MR. STEPHENSON: It cures the timing problem, so we're
29 not making the awards twenty months before the money arrives, and it cures that
30 problem.

31 DELEGATE JOHNSON: The money is in the bank when
32 you write a check.

33 SENATOR RUFF: That money, we were able to transfer
34 some money.

35 DELEGATE WRIGHT: Mr. Chairman, I think this
36 Committee has signaled to the Executive Committee this is what we wanted to do and we
37 needed the extra money, and I think the Committee ought to give recognition back that
38 we appreciate this happening, and it really helped us a lot, and it's something that should
39 have been done, and we're glad that happened.

40 SENATOR RUFF: All in favor say aye? (Ayes.)

41 Opposed? (No response.)

42 Let's start through the community college allocations and how we got this
43 set up.

1 MR. PFOHL: To set the stage a little bit, good afternoon.
2 Our Staff, Ms. Nelson and Ms. Griffith, are going to be your presenters today. I figure
3 you've probably seen enough of me over the last couple of years. They're the first line
4 contact people with the community colleges, because we deal with the community
5 college allocations as we would with any grant. The funds are provided on a
6 reimbursement basis for documented eligible project costs that your Committee and the
7 Commission have approved.

8 Sara is going to lead off and talk about the three Southwest colleges
9 together, and then Britt will talk about the four Southside colleges together.

10 One item we want to bring up, and I don't think it's an issue, and I hope it
11 will not continue to be an issue in the future. I think it's a caveat, based on what we've
12 seen not only with the community colleges, but with Economic Development grants and
13 with Special Projects grants and a whole array of things that come across our desk
14 throughout the course of a year. That is a preference to see the Commission's funds used
15 for substantive program costs instead of some of the things that we have seen
16 occasionally, very rarely submitted to us over the years. That would include some things
17 like promotional giveaway items, hats, t-shirts, drink cozies, or those little containers you
18 put a soda can in, pens, t-shirts, pencils, those types of items. In our mind we feel like,
19 although we have a substantial amount of money, these are public funds, and we would
20 prefer to see the public funds go toward substantive marketing materials, things that have
21 a real message to them, as opposed to some things that could be arguably sponsored by
22 someone else, things like putting a Pepsi logo, which could be handled by a distributor of
23 a product.

24 Other types of things that we have seen that have caused us some
25 heartburn would be using grant funds for food at various events, as well as some planning
26 meetings and working lunches and things like that. We would prefer that Commission
27 funds be used for actual program expenses, rather than for feeding people. I know like
28 today we're feeding the Committee, and there are occasions where it's appropriate to
29 bring people together and give them some refreshments and so forth, but we're
30 advocating restraint in that type of activity.

31 One of the things that caused some conversation to happen in the last year
32 is helping people that have truly extraordinary needs stay in school. That would be
33 helping them with personal household expenses, and that's a way of describing some of
34 these things that would use, and that would be helping folks who need assistance with car
35 repairs so they can get to school, need assistance with housing expenses, with medicines
36 and things like that. We feel that's opening up potential for abuse. While we know that
37 there are good controls and good programs in place at the schools, we feel like providing
38 people with medications and so forth is not where our funds should be focused and opens
39 up some liability issues that are of some concern to us. I don't think any of those types of
40 activities through the conversations that the Staff, Sara, Britt and I and others have had
41 with not only the community colleges but with some of our other grantees in other
42 programs, we hope we have gotten that message across, and I don't think it's going to be
43 an issue as you hear these presentations today.

1 In effect, what these folks have done is filled out an education application
2 form as would any competitive education grant request and submitted that to us. We'll
3 deal with these, should you recommend approval, and the Full Commission will act on
4 these on November 10th in Blacksburg. From that point we'll deal with these as new
5 grants, as we would any other grant.

6 I think that's all I needed to say to set the stage. Sara.

7 SENATOR RUFF: Just a moment, I'm going to let each
8 one of you introduce yourselves so Bryant can better understand where you all are. Just
9 state your name and where you're from.

10 MS. SMITH: I'm Kathleen Smith, Vice President for
11 Institutional Advancement, Patrick Henry Community College in Martinsville.

12 MS. HULL: I'm Mimi Hull. I'm Director of Institutional
13 Advancement, Virginia Highlands Community College.

14 MS. ROBERTS: I'm Phyllis Roberts. I'm the Grants
15 Coordinator at Southwest Virginia Community College.

16 MR. MOORE: I'm Rod Moore, and I'm the Associate Vice
17 President for Development at Southwest Virginia Community College.

18 MS. STANLEY: I'm Donna Stanley, Vice President of
19 Institutional Advancement, Mountain Empire Community College.

20 MS. BREEDING: I'm Nancy Breeding, Southwest Virginia
21 Higher Education Center. I'm the Tobacco Scholarship Administrator.

22 MS. FIELDS: I'm Christine Fields, Southwest Virginia
23 Higher Education Center, Budget and Finance.

24 DR. CAVAN: I'm John Cavan, Southside Virginia
25 Community College.

26 MS. ELKINS: Mary Jane Elkins, Southside Virginia
27 Community College.

28 MR. SUTTON: Don Sutton, Vice President of Institutional
29 Advancement, Central Virginia Community College.

30 MR. SHOWN: Stan Shown, Vice President of the
31 Workforce Development Center, Central Virginia Community College.

32 MR. PFOHL: Mr. Chairman, there's one other point I'd
33 like to add that's going to come up today, and that's the issue of what we would call
34 retroactive reimbursement. The Commission has a policy that the Staff implements that
35 says that we do not reimburse for project expenses incurred before the date that the
36 Commission approves the grant. In this case the colleges have done what we would ask
37 them to do. That is, the year that they're awarded money they try to use those scholarship
38 funds or program funds in that year that it has been awarded. The timing of grant
39 applications that have an approval a consideration of their request in October, then
40 approval in November, is a couple of months into a school year, and that presents a
41 problem for them. One of the ways to address that is to allow them to use Fiscal Year '06
42 funds to cover expenses for the school year that started last month in September. That's
43 an issue, particularly with a couple of the schools that the scholarship funds is going to

1 come up today in the region. So we'd ask you to look favorably on that in light of the
2 timing of the cycles, but we could talk about that some more.

3 Lastly, I'd like to say that over the last couple of years Staff has met with
4 all the colleges, and we've tried to have dialogue in an informal constructive setting, talk
5 to them and hear about what their needs and opportunities are and to respond with the
6 Commission and Staff perspective on things, and that has been a very productive process.
7 I think we're absolutely committed to continue with that dialogue on an annual basis
8 with the schools, and it's a great opportunity to sit down and hear what's going on and
9 hear how we can work more effectively with them. I think some things you see in the
10 funding requests today are in part a result of those conversations we have had.

11 With that, Sara.

12 MS. GRIFFITH: As I go through these, if you have any
13 questions just stop me, and I'll try to answer them.

14 The first college is the Mountain Empire Community College, and they're
15 seeking to divide their funds fifty/fifty split between two programs. The first program
16 would be a continuation of their Tobacco Scholarship Program. It'll provide four hundred
17 to four hundred fifty scholarships covering seventy to a hundred percent of the cost of
18 tuition and fees. The amount of scholarships is dependent upon the number of applicants,
19 the credit hours and classes taken, and tuition increases over the coming years.

20 The other fifty percent will be used to continue the AIMS Scholarship
21 Program. That will cover the cost of seventy scholarships, approximately seventy
22 scholarships, and to supplement other financial aid to cover up to seventy-two credit
23 hours of courses. Twenty-five thousand of the AIMS courses of the grants will be used to
24 provide seed grants to the five schools districts Mountain Empire covers, approximately
25 five thousand per school system. This will be used to reestablish or further develop the
26 AIMS Program in those school systems. The total project cost is four hundred thousand
27 dollars. The Mountain Empire Foundation will provide twenty-five thousand towards the
28 AIMS Program.

29 Any questions?

30 SENATOR RUFF: All the scholarships are run through the
31 financial aid process for PELL grants?

32 MS. GRIFFITH: Yes.

33 SENATOR RUFF: What's the next one?

34 MS. GRIFFITH: The next will be Southwest Virginia
35 Community College. This is a continuation of their scholarship program. Last year the
36 program carried five hundred forty-four duplicated students. I believe they'll serve a
37 similar number this year. It'll cover tuition fees for eligible students and will supplement
38 other sources of funds. The total project cost is six hundred seventy thousand. The
39 Southwest Community College will contribute two hundred seventy thousand of in-kind
40 funds.

41 SENATOR RUFF: Any questions? All right.

42 MS. GRIFFITH: The third is Virginia Highlands
43 Community College, and again a continuation of their Tobacco Scholarship Program. It'll

1 provide around three hundred scholarships for the summer and fall of '06 and the spring
2 semester of '07. They'll also use the funds to provide around thirty-five AIMS
3 scholarships to the local class of 2006. Total project cost is four hundred fifty thousand.
4 Other sources of funds are fifty thousand from the Virginia Highlands Educational
5 Foundation.

6 SENATOR RUFF: Any questions?

7 MR. BANNER: Mr. Chairman, I notice, Sara, on the
8 Mountain Empire Community College, that scholarship program is up to seventy percent.
9 For Southwest and Virginia Highlands like type scholarship, or are any of them a
10 hundred percent?

11 MR. MOORE: In Southwest we do it a little differently.
12 The student eligible for other sources of financial aid would not receive the tobacco. So
13 at our school it's a hundred percent, the tobacco person gets paid, whether they take three
14 credits or fifteen. It's a hundred percent tuition.

15 DELEGATE JOHNSON: Mr. Chairman, on the AIMS
16 Scholarship Program, what does one need to do in order to qualify for AIMS?

17 MS. STANLEY: All programs are administered exactly the
18 same way, but the eligibility requirements for one operating in Mountain Empire is
19 they've got to take seventeen credit hours of course work that's considered accelerated or
20 more advanced beyond what you would have to do for high school graduation. They
21 have to have a ninety-five percent attendance rate and complete twenty hours of
22 community service. If they've completed those requirements and those have been
23 established for graduation, then they become eligible for the scholarship. At our school
24 we're providing a hundred percent of the costs of the tuition. First the PELL, and then
25 another form of assistance, and we use the AIMS money to top off the award and to cover
26 the cost of the tuition and fees. It does not fund books.

27 DELEGATE JOHNSON: Virginia Highlands, we have
28 thirty-four attending on the AIMS Scholarship Program. How many tobacco farm family
29 students were not granted a scholarship because of grades? That would have students,
30 and I believe the cutoff is you've got to make a B or an A.

31 MS. STANLEY: For the AIMS?

32 DELEGATE JOHNSON: For regular students, the old boy
33 from Hatter's Gap, he only made a C, so you don't qualify. How many of those were
34 there?

35 MS. STANLEY: I don't know the answer to that, David
36 Matlock would be able to give you that data. I really don't know the answer to that, I'll
37 be glad to find out for you.

38 DELEGATE JOHNSON: If the old boy from Hatter's Gap
39 didn't get his scholarship, it means an AIMS scholar got it. Is that prior to the farm
40 family?

41 MS. STANLEY: We divide that money between two
42 programs. We've allocated a certain amount for the AIMS Program and validated a
43 certain amount for the Tobacco Program. I don't believe that scenario that you just

1 presented would in fact happen.

2 SENATOR RUFF: Joe, let's go back to that Hatter's Gap.
3 If he's enrolling and getting F's, can he continue to get a scholarship for the next year
4 because he's a nice guy?

5 MS. STANLEY: No.

6 SENATOR RUFF: We have a motion to go ahead and deal
7 with Southwest.

8 MR. BANNER: I move we approve that, Mr. Chairman.

9 DELEGATE JOHNSON: Second.

10 SENATOR RUFF: We have a motion and a second, any
11 discussion? All in favor say aye? (Ayes.) Opposed? (No response.) All right.

12 MS. NELSON: To start off with the Central Virginia
13 Community College and they propose to do five activities with the four hundred thousand
14 allocated for them. First of the activities is the CVCC Bedford Center Campaign, that
15 will use thirty-five thousand toward this effort. If you will recall last year, they used a
16 hundred thousand for the allocation toward this project. It's to open a satellite location of
17 the Community College in Bedford County, actually want to be in one of the industrial
18 parks there. They need thirty-five thousand this year to increase the equipment that they
19 have at the center, basic equipment including computers, printers and some classroom
20 furniture. They're matching that with funds for operations, ninety thousand in
21 operations. Bedford County has put seventy-five thousand towards that effort and
22 Bedford City put in thirty-five thousand.

23 Secondly, they wish to use fifty thousand of their allocation for the
24 Tobacco Scholarship Program. This is to provide funds to tobacco families in Virginia's
25 Region 2000. To date this program has served 187 individuals between fall of 2003 and
26 the current semester, fall of 2005. The average award is about a thousand dollars per
27 student. The education foundation has provided eighty-five thousand in scholarships to
28 support the non-tobacco students to match the funds that they are funding towards those
29 that are tobacco-related. They also wish to put twenty-five thousand toward their
30 Altavista Center expansion. The Commission has invested at this site previously. The
31 Center opened in January 2001 and has enrolled 2,841 students to date over the past four
32 and a half years. As you can see, this has been very successful and they wish to expand
33 to meet the needs. The expansion would include upgrading of video equipment and some
34 classroom furniture, compressed video classrooms offerings. To give you an example, in
35 the fall of 2005, some of those compressed video offerings included human anatomy,
36 survey of economics, medical technology, Spanish, and developmental psychology.
37 They're matching this project with \$39,250 for expanding the lease at the Center to meet
38 present needs. \$12,000 will be for renovations of that space.

39 SENATOR RUFF: Don, when you all first proposed the
40 Altavista Center, what kind of numbers were you projecting then?

41 MR. SUTTON: We projected the Center would eventually
42 serve 25 to 100 FTES's annually. What we're saying Senator Ruff is that over the three-
43 year period when we opened that Center, Lane Furniture and A.O. Smith closed in

1 Altavista. The initial enrollment went down and what we're seeing now is that the
2 traditional eighteen, nineteen and twenty year old students enrolling and expecting to
3 graduate from the Altavista Center and never coming up to Lynchburg through a
4 combination of courses there through the distance education and the web courses.

5 MS. NELSON: Next we have the Appomattox Center, one
6 hundred and sixty-five thousand requested for this activity. The College proposes to
7 establish a center in Appomattox County at the Carver Price School, classes to start in the
8 fall of 2006. The Center will provide workforce readiness certificates, distance education
9 opportunities, computer literacy, career pathways provided by the Regions Workforce
10 Investment Board, associate degree level courses. The Center is projected to serve 247
11 students or 50 FTES's within three years. Tobacco funds are requested to assist with
12 purchasing equipment for the Center similar to that of Bedford including computers and
13 printers, projectors, classroom furniture. I'd like to note this would be building on a
14 previous investment that was made through the Southside Economic Development
15 Committee. In school year '02 that Committee awarded Appomattox County funds to
16 conduct a study to find the best use of the school site and to give some funds toward the
17 design, architectural drawings for the renovation study. That study was conducted and it
18 was determined that would be the best use for the facility. So we'd be helping them carry
19 out that mission with this project. Total project cost is \$823,802 over one year. The
20 Community College will match \$356,052 for operating expenses in Appomattox County
21 and its school system will commit \$302,750 for renovations to the Carver Price School.

22 Lastly, Central Virginia Community College proposes to need one hundred
23 and fifteen thousand for a regional outreach project. Through support from the National
24 Science Foundation, the Community College will receive a three-year grant from them in
25 the amount of seven hundred and fifty thousand. This will be the second year of the
26 program. The model for this program is a three-step approach. In order to train the
27 region's middle and high school students to get them to become technicians or highly
28 skilled engineers. In order to carry this out, the Central Virginia Community College
29 wishes to provide equipment in high schools, six high schools per county in Appomattox
30 and Campbell and provide them with real-time live and active video equipment. This
31 will be a first-time access to be at this level for the high school. They're requesting
32 tobacco funds to help purchase equipment. Secondly, they're also requesting a summer
33 youth program in which technical training opportunities for high school students will be
34 provided through the career readiness training and on the job internships with local
35 companies. They're requesting that the Tobacco Commission provide \$30,000 towards
36 this effort for a coordinator and assessment remediation and administration.

37 There was some staff concern regarding the administration, that would be
38 basically paying them to conduct payroll for the program and so forth and they are
39 willing to designate those funds for another purpose within the program that we could be
40 more supportive of.

41 The third component of this program, which will not be accessing any
42 tobacco funds is the summer academy, which will involve middle school students in a
43 one-week program offering building trades, young women in engineering, information

1 technology, wireless communication, health technologies. Although we're serving high
2 school students primarily with tobacco funds, high school students taking community
3 college level courses and credit. The internship program I mentioned would be a, is
4 actually a requirement of the Community College through their technical career degree
5 program, they actually require the students to have six hours in workforce training.
6 These high school students will actually go beyond that requirement and we're
7 supportive of that effort. They spend 95% of the time in the workforce training setting
8 and 5% will be counseling and mentoring in the form of workforce ethics, resume writing
9 and job searching, career readiness, personal finance. Only 5% of the time will be spent
10 on those activities. That pretty much completes Central Virginia Community College's
11 proposal.

12 SENATOR RUFF: Questions? All right.

13 MS. NELSON: Next we have Danville Community
14 College. They propose to use \$30,000 to continue their efforts in providing tutoring
15 services. They have a growing demand and wish to continue using tobacco funds to meet
16 the needs there. Secondly, they wish to use \$100,000 to provide tobacco scholarships.
17 Four hundred and ninety-three scholarships have been awarded since the year 2000. And
18 the average award for the academic year '04-'05 was \$1,370. They also wish to use
19 \$82,800 to provide professional development training and entrepreneurship training.
20 They're providing full-time faculty and adjunct faculty who will be eligible to obtain
21 training in their fields of study to keep them up to date on techniques so that they can
22 carry that through the classroom. Funds will also be used to expand their newly
23 established entrepreneurship program the Committee invested in last year. Faculty and
24 students will attend the national conference, which they did last year as well as host a
25 regional conference at DCC for high school students. As I recall, last year they had about
26 a hundred people attend the local conference and that was considered to be a pretty good
27 number. DCC also proposes to use \$13,200 to purchase lab equipment to upgrade and
28 expand healthcare and biology training labs. Lastly, they wish to use one hundred and
29 seventy-four thousand to complete the phase two renovation activity to the Estelle H.
30 Womack Building. This will provide 5,000 square feet of usable space for additional
31 classrooms, offices and labs. They're matching tobacco funds with \$30,000 for tutoring
32 service and thirty thousand toward faculty staffing and professional development. Any
33 questions?

34 Next we have Patrick Henry Community College. They are requesting
35 three distinct activities to be used for their \$400,000 allocation. They would like to use
36 one hundred and seventy-five thousand towards regional program development and
37 support for artisans, crafts program and viticulture program, to the continuation from last
38 year. Some of these activities include operational expenses and for the community
39 colleges the definition of start-up is what we would normally apply to other grants for a
40 one-year time frame. For the community colleges, it takes three years to start up a
41 program before the community college system will adopt it and provide funds for it. I'd
42 like to throw that out there for your consideration. They're dealing with a little more of a
43 start-up time than a lot of their other grants. Funds will be used to provide coordinators,

1 salaried positions. The viticulture program has been delayed due to difficulty in filling
2 the proposed faculty position, but the college hopes to fill the position by beginning of
3 spring of 2006. Funds are requested to continue support of employed faculty to teach
4 introductory courses, continue to develop the viticulture certificate program. They're
5 also proposing to purchase items to establish and develop a vineyard, which will be
6 located on the 137-acre campus and items to be used for instructional use and lab
7 equipment. Patrick Henry also proposes to expand marketing and promotion of the
8 tobacco-funded projects and programs through open houses, printed materials, marketing
9 efforts of that nature.

10 Going back to the artisans and crafts programs, they will be hiring a part-
11 time crafts coordinator to oversee the program and they are currently a part of the Crafts
12 Net Alliance, which is a community college system-wide.

13 MS. SMITH: International, the community colleges are
14 engaged in traditional crafts. We currently have stained glass, quilting and weaving,
15 pottery and so forth.

16 MS. NELSON: That would complement a lot of the
17 Commission's investment not necessarily through this Committee but perhaps through
18 the Special Projects. For example, the crooked road in music and yesterday a project that
19 was recommended for consideration was the Center in Patrick. The artisans network are
20 really starting to in the southwest portion of Southside and throughout Southwest and
21 they think this would be a nice complement to efforts already that are put into that area.
22 Patrick Henry wishes to use \$125,000 for scholarships, tutoring and work-study.
23 Scholarship assistance will be provided to tobacco growers, quota holders, workers and
24 their families, as well as other displaced workers and educationally disadvantaged
25 populations. Tutoring, counseling and support services will also be provided to
26 disadvantaged students, in particular to those who have been out of school for many
27 years. Work-study scholarships will be established following the general concept of the
28 current federally funded work-study program.

29 Lastly, they wish to use \$100,000 for technology and training to upgrade
30 academic and administrative technology to maintain currency with educational and
31 business standards. They're also interested in professional development classes and
32 technology for faculty and staff, including training for industry certification tests such as
33 Oracle and Sysco. The total cost for these activities for one year is \$737,818. Patrick
34 Henry Community College will provide \$587,578 tuition assistance along with other
35 federal and state resources for financial aid. They're also receiving funds from the
36 Lumina Foundation for students who are minority and low income. They're also
37 providing \$286,189 from the state equipment trust fund for general technology needs and
38 over \$4 million in financial aid for the '05-'06 academic year.

39 SENATOR RUFF: Any questions?

40 MS. SMITH: I hope sometime in the near future, we'll
41 have an opportunity for tasting the product, so to speak.

42 MR. MAYHEW: I'd like to ask a question, is there any
43 limit on how much grape production we can have in the area without supply exceeding

1 demand?

2 MS. SMITH: It's interesting you should bring that up. The
3 VCC is setting up a consortium in viticulture and working with all the vineyards to
4 determine the need to coordinate efforts to do that. We're not duplicating efforts or
5 putting in where there's too many already. Piedmont Virginia has taken the lead and
6 already is offering programs in viticulture. I think the way it's going to work is there'll
7 be an advisory board involved in the wine industry so all those questions can be taken
8 care of.

9 SENATOR RUFF: Buddy, there's a fellow that put in 30
10 acres of vines in Mecklenburg County this year and sold grapes to Loudoun County to
11 another one, Chateau Morrisette and they were taking everything that they could get.

12 MR. MAYHEW: I know that the agriculture products is
13 concerned with supply and demand and there is such a thing as, particularly in a given
14 area I know when you're shipping products like grapes, time is critical from the time
15 they're picked until they have to get them to the vineyard. If we overdid this thing, a lot
16 of people with money invested all of a sudden the demand is less than the supply, the
17 price goes down and you know what happens then. Within the foreseeable future, there
18 may be super opportunities for many people to get in to it, but I have no idea what the
19 demand would be.

20 SENATOR RUFF: I'm not sure anybody does. The
21 association started talking to me a half dozen years ago and they were begging for grapes.
22 Under state law, 57% of the grapes had to be grown in Virginia, they were buying grapes
23 from Canada because they couldn't get the grapes here. The advantage we do have in
24 Southside Virginia is the temperatures. What has been traditionally negative about the
25 hot weather in Southside but it's positive due to the fact that they ripen faster than they
26 do up in the Charlottesville area. The wineries know exactly what they're going to buy
27 so the first one to the table has a better shot than the guys coming in later.

28 MS. NELSON: Lastly, is the Southside Virginia
29 Community College Foundation. They're requesting one hundred and twenty-five
30 thousand to maintain the scholarship program. They're operating a general scholarship
31 program offered to tobacco producers, quota holders, workers and their immediate
32 families from a ten county service region. They require a formal application be
33 submitted showing specific information regarding student's ties to tobacco programs. All
34 applicants are required to complete a FAFSA, maintain satisfactory academic progress
35 and enroll in an approved program of study. For eligible students, state and federal
36 grants will be utilized before tobacco scholarships. The total project cost is \$5,980,000
37 for financial aid for one year. In 2004 and '05 scholarships were supplemented with by
38 over a million dollars in state aid, 4.7 in federal aid.

39 The SVCC Foundation and the Literary Foundation also funded \$100,000
40 towards scholarships in 2004 and 2005. SCC was one of the colleges that Tim mentioned
41 that is in need of using funds for the current fall of '05 semester. They're about to
42 deplete their '05 allocation that was used during '04-'05 academic year. These points
43 will be used now at this point in '05 to bring '06 and summer of '06.

1 They're also requesting that two hundred and seventy-five thousand be
2 used for constructing a 5,000 square foot expansion of the college's occupational and
3 technical center located at Pickett Park in Blackstone, Virginia. The Center houses the
4 College's truck driver training, heavy equipment and diesel technology programs. The
5 enrollment for October 2005 class is at 30 with a target enrollment goal of 40. That's the
6 diesel. Additional space is needed to accommodate the growing number of students that
7 work on tractor-trailers, bulldozers and other types of heavy equipment and allow for
8 additional programs currently under development. Such programs as underground
9 damage prevention class, environmental health institute and collision technician program.
10 The expansion will also enable the college to follow the OSHA guidelines for work areas
11 and safety of students. Total project cost is three hundred and seventy-five thousand.
12 SVCC is soliciting a hundred thousand in private donations for site preparation and
13 equipment.

14 SENATOR RUFF: Any questions? What we have is a
15 shortage of guys that know how to go out and test for PERK. The state realized they've
16 got a problem and they're working with us at Pickett to give these guys some real
17 understanding of how you'd check for things like that.

18 All right, any questions on any of the four Southside programs?

19 DELEGATE WRIGHT: I move we approve Southside's
20 proposals.

21 MR. MOODY: Second.

22 SENATOR RUFF: Any further discussion? All in favor
23 say aye. (Ayes.) Opposed? (No response.)

24 We have more money in the Committee for competitive proposals this
25 year and we didn't have the money so we lost a lot of fireworks.

26 MR. PFOHL: Mr. Chairman, the Staff's had conversations
27 with applicants when they're preparing to approach the Commission for funding request
28 and because of the lack of a competitive education grant round this year, I just want to
29 give you a heads up that people are talking to us about coming in through Special
30 Projects that meet the guidelines for Special Projects to include regional as well as not
31 being eligible for another grant. Vis-à-vis the type of projects that would be funded
32 through the community college allocation. That includes some higher education
33 proposals. We may have some folks trying another one of the Commission's doors this
34 year in order to keep some good programs up and running.

35 MR. MOODY: Mr. Chairman, would this be the
36 appropriate time to bring up the issue of Crater? The Crater region, which includes
37 Dinwiddie, Sussex, actually part of Greensville does not receive a community college
38 allocation because they're outside of the community college region. They kind of fit in
39 with the John Tyler area. In the past, Crater Regional has done a workforce initiative in
40 the Dinwiddie area for the last couple of years and received a grant for that. Tim, could
41 you speak to the program that they may be doing over there, how it's been working?

42 MR. PFOHL: The program called Skill Streams for
43 Success is a program that the Crater Regional Partnership, which is the regional

1 economic development organization in that planning district and that program has been
2 offered at the technical center. A good percentage of the program participants are
3 residents of the tobacco region counties, including Dinwiddie, Greenville and Sussex. I
4 believe that program has received four rounds of funding through the economic
5 development program, subsequently the Education Committee. It provides training in the
6 work keys program assessment pool, which provides career readiness assessment and
7 math skills and language and so forth. They do custom training with companies in those
8 localities and that training is included in that planning district but they've been doing that
9 with the Commission's assistance for several years.

10 MR. MOODY: A lot of that was sent to Chairman Ruff, I
11 just got a copy of it. Denny Morris was asking for seventy-five thousand to be able to
12 run that program for another year since the allocation is not available in that area. I
13 believe there's a hundred thousand left in the balance.

14 SENATOR RUFF: That's correct. Let me ask our attorney,
15 since he just showed up.

16 MR. FERGUSON: I deserve that.

17 SENATOR RUFF: Can we properly do this without
18 opening up the application process? Is there a downside to doing this?

19 MR. FERGUSON: There's a downside I think, but it's as
20 much political and procedural as it is legal. It's the same problem you always have when
21 you deviate from the normal grant cycle process and it makes it that much more difficult
22 to say no to other persons that will come in and say I need an exception as well. Because
23 this is the first I've heard of it, I'm trying to think if there's other ways to skin the cat or
24 the best way to posture it so the Committee looks favorably upon the request. The short
25 answer legally is you can do it if you need to note that that's an exception to the grant
26 cycle process. That you do that knowing that and for this particular project alone. I'd
27 say that if it is the sense of the Committee to recommend this to the Full Commission, it
28 will certainly take some time between now and November 10th to be able to assure the
29 Commission that it is something that is appropriate to do and legal to do and if you have
30 a suggestion for another way to posture it we'll have to present that.

31 MR. MOODY: I feel it is an exception, Mr. Chairman,
32 because the region is not covered in the allocation and I'd like to make a motion that we
33 recommend approval of it.

34 SENATOR RUFF: You're basing that on the assumption
35 that none of those people are students. We have a motion, is there a second?

36 DELEGATE WRIGHT: I'll second it for purposes of
37 discussion.

38 MR. FIELD: Then what do you say to those people or
39 what do you say to anyone that would like to. I think it's getting out of the way that we
40 have conducted business in the Education Committee for the duration. I agree with
41 Harrison, I think it's probably worthy and there's a need but I think if we had everybody
42 else's proposal in there we'd say this one is needed worse than another one and I could
43 see that. I don't know what we would do to the other people when we do that.

1 DELEGATE WRIGHT: There was a term used, another
2 way to skin the cat. Before we take a vote, maybe we should discuss other options that
3 may get Harrison where he wants to be or is that appropriate at this time?

4 SENATOR RUFF: You're suggesting what? Looking for
5 more cats?

6 MR. MOODY: Yesterday, we sent several things up the
7 line a little bit for discussion to the Executive Committee. I don't know if that's
8 appropriate or not, it's not as big an item as some of the others were yesterday. I think
9 it's an exception that needs to be dealt with. Those counties are not in the community
10 college allocation.

11 MR. BANNER: They're tobacco-producing counties?

12 MR. MOODY: Yes.

13 SENATOR RUFF: When we started this process, we
14 identified the seven community colleges that were most closely associated with tobacco
15 and there was a serious debate at that point about how some were more invested in
16 tobacco than others and John Tyler did not fit into that group of seven. Their service area
17 is Amelia, Dinwiddie, Sussex and a part of Greenville, you have a fair amount,
18 Dinwiddie has a small amount.

19 MR. FIELDS: We also had a lot of discussion at that time
20 when we did that at Wytheville. I'm sure Delegate Johnson knows more about it than I
21 do, but every time I see one fellow I know. Wytheville is one of those community
22 colleges that we have seen fit to do some things for a time or two since I've been on the
23 Education Committee, where they applied for competitive grants.

24 MR. MAYHEW: When will the next round of competitive
25 grants be up, a year from now?

26 MR. STEPHENSON: The money that you have approved
27 or awarded today will arrive physically at the Commission this coming April. We have
28 spent our entire '06 budget and we're out of money except for the hundred thousand.
29 The next opportunity will be the following April. It would seem reasonable that the
30 competitive cycle would occur approximately a year from now to keep us in synch with
31 the cash flow.

32 MR. MAYHEW: That will be Full Commission approval
33 after that, is that when the money is actually there?

34 MR. STEPHENSON: The Full Commission will approve it
35 and then these folks will do their work and begin to submit vouchers or claims for the
36 money and it will be processed through the system and that will take a little time. In fact,
37 those checks are likely to be issued prior to April.

38 MR. MOODY: Mr. Chairman, I'll withdraw my motion
39 and make a motion that it be referred to the Executive Committee for their consideration.
40 Looks like there's a little shaky ground here and a little uncertainty about that.

41 SENATOR RUFF: We can entertain that concept. The
42 problem is that it will still put the Executive Committee in a situation where it will be
43 something non-competitive. One alternative would be to let Special Pprojects consider it

1 since it's multi-county. Fred mentioned the idea of opening for a competitive round for a
2 hundred thousand and see how many people jump in.

3 MR. FIELDS: If we can get all those folks back there not
4 to get it.

5 MR. FERGUSON: Actually, that really is the appropriate
6 way, that's really the appropriate way to do it. You're absolutely right, referring it to the
7 Executive Committee really shifts the problem to them and the issue is that it's not made
8 available to the other potential requestors. So whether it's this Committee or the
9 Executive Committee is probably of no particular moment and that's my comment on
10 that. But I'm still trying to think of a way through the problem without unduly exposing
11 you.

12 MR. BANNER: Mr. Chairman, a point of clarification.
13 Dinwiddie and Sussex students that are applying for community college help, those
14 students, are they helped through the system?

15 MR. MOODY: Part of the scholarships.

16 MR. BANNER: So, this is just an award to the community
17 college, to John Tyler?

18 SENATOR RUFF: No, I believe it's more of a workforce
19 training center. It's run regionally, but it's really not through the community college.

20 MR. MOODY: That's correct.

21 SENATOR RUFF: Ned or Tim, which do you all think
22 would be a better way of dealing with it, opening up the application process or dealing
23 with it in Special Projects?

24 MR. PFOHL: The potential problem with Special Projects
25 is that this program has been operating for several years so it would not be in a start up
26 operating mode. If it's a regional reach but it has been operating for several years and not
27 meet the long-range funding policy, only providing funding in a start-up operation.

28 SENATOR RUFF: Your motion is still on the table at this
29 point, the original motion. Do we need to deal with that or do we need to withdraw it and
30 consider Fred's, whichever.

31 MR. FIELDS: Have not made that motion.

32 MR. MOODY: Are you saying Special Projects?

33 DELEGATE WRIGHT: What's the time frame?

34 SENATOR RUFF: About two weeks. Any suggestions?

35 DELEGATE WRIGHT: Is it practical to do that?

36 MR. STEPHENSON: Opening that grant round is certainly
37 possible but it puts a lot of folks through a lot of work with the likelihood that only one is
38 going to capture the money. It seems to be highly inefficient to put everybody through
39 that.

40 MR. FIELD: It shouldn't build false hopes because they're
41 all sitting back there listening to us.

42 MR. STEPHENSON: Maybe the notion of deferring it to
43 the Executive Committee and perhaps the Executive Committee is no better equipped to

1 deal with it than you are right here right now. It seems to me that this is the place to
2 knock it out.

3 SENATOR RUFF: After advice from counsel, the best
4 thing maybe to do is to table this until the Full Commission meeting November 10th.

5 MR. MOODY: Maybe the best thing to do is table it and
6 get with some people and talk about it for some opportunities.

7 SENATOR RUFF: If you're willing to let it be tabled at
8 this point, we'll try to deal with it in some fashion on the 10th. To get from here to there,
9 there's going to have to be an application. My suggestion is to ask them to go ahead and
10 fill out an application. Then whatever is decided on November 10th, we'll have a short
11 meeting after the Full Commission meeting or deal with it at the January meeting, work
12 in that time frame.

13 DELEGATE WRIGHT: Do want a substitute motion?

14 SENATOR RUFF: The motion is on the table and the
15 proper motion would be just to table it.

16 DELEGATE WRIGHT: I so move.

17 MR. BANNER: Second.

18 SENATOR RUFF: All in favor say aye. (Ayes.) Opposed?
19 (No response.) There is one other issue to talk about. Ned, do you want to talk about the
20 scholarships?

21 MR. STEPHENSON: The folks at the Southwest Higher
22 Ed Center are the scholarship administrators for both of your scholarship programs. One
23 of those programs is the forgivable loan that under certain circumstances is not forgiven.
24 We have a small backlog of persons who have elected to move out of the territory and
25 they owe that money back. We originally believed that the Department of Education
26 could serve that loan collection function and they indicated a possibility that they could.
27 Upon further exploration, they said they weren't in a position to do that and that did not
28 work. Chris Fields and Nancy Breeding and Rachel Fowlkes have talked about this, and
29 they stepped up and said they believed that they would be able to collect these loans for
30 us but that they needed a loan software program to compute interest and track payables
31 due, which the Staff believes is very reasonable. The cost of that is \$10,000 and that sum
32 of money could be taken from the scholarship award itself from the few dollars that
33 remained at the end of the '05 school year if it please the Commission to do so. We'd use
34 the last ten thousand of the previous award to provide the software to collect. I'm told
35 today is about a half a million dollars of outstanding student loans. There'll be more
36 coming as time goes on.

37 MR. BANNER: Mr. Chairman, I make a motion that we do
38 that.

39 MR. FIELDS: Could we take the money for that from the
40 one hundred thousand that we got left here rather than use the –

41 MR. STEPHENSON: Yes, you could.

42 SENATOR RUFF: That's one option.

43 DELEGATE JOHNSON: My question is, how is the

1 software program going to collect the money?

2 MS. FIELDS: It will collect based on what we input into
3 the system. The students that had defaulted their loan each year, you put the amount in if
4 it's four thousand or less than that. The system will automatically calculate the four
5 percent simple interest and divide it over ten years that they're supposed to pay it, which
6 is a minimum of a hundred a month. Every month it will generate a statement that we
7 will send out to the student, like a car payment or a loan. Then the students will send the
8 checks, we'd forward it on to the Tobacco Commission.

9 DELEGATE JOHNSON: Suppose they don't respond to
10 the software?

11 MS. FIELDS: That would be Frank's problem.

12 DELEGATE JOHNSON: My point is are we throwing
13 good money away.

14 MS. FIELDS: Joe, I don't think so. We researched
15 yesterday and we found that there's about five hundred thousand in loans that needs to be
16 collected. Investing ten thousand to collect that amount, even if it's fifty percent of that
17 is well worth it. That's money that could be collected and put back into future
18 scholarships.

19 MR. FERGUSON: I think the AG's office would concur
20 with that. Doing what they propose to do and sending regular statements and demand
21 letters that should collect about half of that or more. Even if the people otherwise did not
22 repay. To the extent that they get some of that, if it's referred to the Attorney General's
23 office debt collection unit, which has a little more power to collect than they would be
24 able to. I believe you'll still get more than not doing anything.

25 MR. FIELDS: What was the motion?

26 MR. BANNER: The motion was to purchase the software
27 program but as far as funding of it, I didn't specify Fred.

28 MR. STEPHENSON: I believe it was to purchase the
29 software using the leftover remaining dollars if you will, that have already been awarded
30 in the Southside Scholarship Program.

31 SENATOR RUFF: Let's just break it down, two actions
32 here. The question is do we want to buy the software. All in favor say aye. (Ayes.)
33 Opposed? (No response.) And now the issue is funding.

34 MR. MAYHEW: Mr. Chairman, I propose that we use the
35 residual, the \$100,000 from the funding of this program.

36 SENATOR RUFF: We've got a motion and a second, any
37 other discussion? All in favor say aye. (Ayes.) Opposed? (No response.)

38 MR. FERGUSON: I'd like to thank the Higher Ed people
39 for stepping up to the plate and solving a big problem for the Commission are willing to
40 do it, thank you very much.

41 SENATOR RUFF: Any public comment?

42 MS. HODGES: My name is Kathy Hodges. I'm director
43 of the Franklin County Workforce Development Consortium. I'd like to thank the

1 Commission for the support that you've given us in the past. I wanted to be sure you're
2 aware that one of the projects you've given a lot of support to is actually under
3 construction behind this library building. The lot that was graded directly behind us here
4 is where our new workforce center will be built. Currently, they have demolished the
5 former building and that process should be completed in the next few days. We're
6 working on the external and internal floor plan of the new center. That's a \$5.5 million
7 project. We hope to begin construction by March of '06 and hope to open our new
8 facility by March of '07. I wanted you to be aware of the site development going on
9 behind this building.

10 SENATOR RUFF: Thank you very much. Any other
11 comments? Our next official meeting date will be October 13, 2006. Deadline for
12 applications will be September 1st, 2006. We'll watch our mail and e-mail for a special
13 meeting November 10th or thereabouts before or after or in between that meeting. Any
14 further business? The meeting is adjourned, thank you.

15
16 PROCEEDINGS CONCLUDED.
17
18

CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter
and Notary Public for the State of Virginia at large, do hereby certify that I was the court
reporter who took down and transcribed the proceedings of the **Education Committee**
Meeting when held on Thursday, October 27, 2005 at 1:00 p.m. at The Franklin
County Public Library in Rocky Mount, Virginia.

I further certify this is a true and accurate transcript to the best of my
ability to hear and understand the proceedings.

Given under my hand this 28th day of November, 2005.

Medford W. Howard
Registered Professional Reporter
Notary Public for the State of Virginia at Large

My Commission Expires: October 31, 2006.